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[Proposed] Attorneys for Debtors and Debtors in
Possession, Scoobeez, Scoobeez Global, Inc. and
Scoobur, LLC

FILED & ENTERED

MAY 15 2019

CLERK U.S. BANKRUPTCY COURT
Central District of California
BY kaaumoan DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re
SCOOBEEZ, *et al.*¹

Debtors and Debtors in
Possession.

Case Nos.: 2:19-bk-14989; 2:19-bk-14991;
2:19-bk-14997

Chapter 11

**ORDER GRANTING IN PART AND
DENYING IN PART THE DEBTORS'
EMERGENCY MOTION FOR ORDER
AUTHORIZING (1) THE PAYMENT OF
PREPETITION WAGES, (2) THE
CONTINUATION OF EMPLOYEE
PROGRAMS POSTPETITION, (3) THE
WITHHOLDING AND PAYMENT OF
PAYROLL RELATED TAXES, AND (4)
THE PAYMENT OF PREPETITION
CLAIMS RELATING TO EMPLOYEE
PROGRAMS**

Hearing:

Date: May 1, 2019
Time: 3:00 p.m.
Place: Courtroom 1375
U.S. Bankruptcy Court
255 East Temple Street
Los Angeles, CA 90012

Affects:

- All Debtors
- ☐ Scoobeez, ONLY
- ☐ Scoobeez Global, Inc., ONLY
- ☐ Scoober LLC, ONLY

¹ The Debtors and the last four digits of their respective federal taxpayer identification numbers are as follows:
Scoobeez (6339); Scoobeez Global, Inc. (9779); and Scoobur, LLC (0343). The Debtors' address is 3463 Foothill
Boulevard, Glendale, California 91214.

1 On May 1, 2019, the *Emergency Motion for Order Authorizing (1) the Payment of*
2 *Prepetition Wages, (2) the Continuation of Employee Programs Postpetition, (3) the Withholding*
3 *and Payment of Payroll Related Taxes, and (4) the Payment of Prepetition Claims Relating to*
4 *Employee Programs* (the “Motion”) filed by Scoobeez, Scoobeez Global, Inc., and Scoobur,
5 LLC, the debtors and debtors in possession (the “Debtors”) in the above-captioned bankruptcy
6 cases (the “Bankruptcy Cases”), came on for hearing in the above-referenced court, the
7 Honorable Julia W. Brand presiding. Appearances were made as stated on the record.

8 Having reviewed and considered the Motion and all pleadings and papers filed in support
9 thereof, having heard and considered the arguments of counsel made at the hearing, having found
10 that notice of the Motion was adequate and appropriate under the circumstances and that no
11 further notice need be given, and finding good cause appearing therefor,

12 IT IS HEREBY ORDERED that:

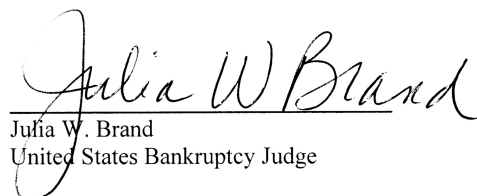
- 13 1. The Motion is granted in part and denied in part pursuant subject to the provisions
14 of this order;
- 15 2. In connection with the submission of a supplemental declaration attaching a
16 payroll report itemizing the wage-related expenses to be paid on a per employee
17 basis (Docket No. 24), the Debtors are authorized, but not required, to pay,
18 continue, or otherwise honor the pre-petition payroll obligations of non-insider
19 employees (the “Employees”) in an amount not to exceed \$12,850.00 for each of
20 the Employees and including premiums due for worker’s compensation and
21 employer and employee federal, state and local tax obligations in amount not to
22 exceed a total of nine hundred fifty thousand dollars and zero cents (\$950,000.00)
23 in the aggregate (collectively, the “Prepetition Obligations”);
- 24 3. The Debtors are authorized to pay and/or withhold for any and all local, state, and
25 federal withholding and payroll-related or similar taxes related to the Prepetition
26 Obligations;
- 27 4. In connection with the submission of itemized receipts, the Debtors are authorized
28 to pay any and all reasonable unreimbursed business expenses of the Employees;

- 1 5. To the extent the Debtors need to use cash collateral to pay the Prepetition
2 Obligations, the Debtors are authorized to do so subject to the conditions set forth
3 in the *Order Regarding Debtors' Emergency Motion for Entry of Interim Order*:
4 *(1) Authorizing Use of Cash Collateral on an Interim Basis and (2) Granting*
5 *Related Relief* as entered by the Court;
- 6 6. All applicable banks and other financial institutions are authorized and directed to
7 receive, process, honor, and pay all checks presented for payment and to honor all
8 electronic payment requests made by the Debtors relating to the foregoing, but
9 only with respect to payroll, payroll taxes, workers' compensation premiums and
10 employee reimbursable expenses;
- 11 7. As none of the Prepetition Obligations constitute "sales commission" to be paid to
12 any independent contractor rendering services to the Debtors, a declaration under
13 §507(a)(4)(B) is not necessary; and
- 14 8. The fourteen-day stay period under Bankruptcy Rule 6004(h) is hereby waived.

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16 IT IS SO ORDERED.

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24 Date: May 15, 2019

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26 Julia W. Brand
27 United States Bankruptcy Judge
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